

110TH CONGRESS
2D SESSION

H. R. 6397

To amend title 38, United States Code, to make certain improvements in the basic educational assistance program administered by the Secretary of Veterans Affairs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2008

Mr. HENSARLING introduced the following bill; which was referred to the Committee on Veterans' Affairs, and in addition to the Committees on Armed Services, Education and Labor, Oversight and Government Reform, Energy and Commerce, Science and Technology, Transportation and Infrastructure, and Natural Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title 38, United States Code, to make certain improvements in the basic educational assistance program administered by the Secretary of Veterans Affairs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Veterans Education Improvement Act of 2008”.

1 (b) TABLE OF CONTENTS.—The table of contents for
2 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—ENHANCED VETERANS BENEFITS

- Sec. 101. Increase in amount of basic educational assistance.
- Sec. 102. Extension of time limitation for use of eligibility and entitlement to educational assistance.
- Sec. 103. Monthly stipend for recipients of educational assistance allowance.
- Sec. 104. Extension of period for collection of fee for basic educational assistance.
- Sec. 105. Use of educational assistance for business courses and seminars.
- Sec. 106. Use of educational assistance for courses taken to prepare for licensing or certification tests.
- Sec. 107. Use of educational assistance to repay Federal student loans.
- Sec. 108. Opportunity to withdraw election not to enroll in educational assistance program.
- Sec. 109. Montgomery GI Bill benefits not to reduce financial aid.
- Sec. 110. Extension of increase in benefit for certain individuals pursuing apprenticeships or on-job training.
- Sec. 111. Modification of amount available for reimbursement of State and local agencies administering veterans education benefits.
- Sec. 112. Provision of basic educational assistance benefits for veterans discharged from active duty with general discharge.
- Sec. 113. Increase in amount of reporting fee payable to educational institutions that enroll veterans receiving educational assistance.
- Sec. 114. Provision of additional areas of work-study for veterans.
- Sec. 115. 5-year pilot program for on-campus work-study positions.
- Sec. 116. Increase in employees for Education Service.
- Sec. 117. Upgrade of certain information technology.
- Sec. 118. Modification of advance payment of initial educational assistance or subsistence allowance.
- Sec. 119. Modification of period of eligibility applicable to certain spouses of individuals with service-connected total disabilities permanent in nature.
- Sec. 120. Consideration of additional contributions and payments in calculating entitlement charge for certain programs of education.
- Sec. 121. Increase in amount of educational assistance for members of the Selected Reserve and reserve component members supporting contingency operations and certain other operations.
- Sec. 122. Expansion of programs of education eligible for accelerated payments of educational assistance under laws administered by Secretary of Veterans Affairs.

TITLE II—CIVIL SERVICE ENTITLEMENT REFORM

- Sec. 201. Voucher plan for FEHBP.
- Sec. 202. Government contributions for annuitants under FEHBP to be determined based on length of Government service.
- Sec. 203. Benefits under CSRS and FERS to be computed based on modified definition of “average pay”.
- Sec. 204. Elimination of annuity supplement under FERS and related retirement systems.

TITLE III—NATIONAL ENVIRONMENT AND ENERGY
DEVELOPMENT ACT

- Sec. 301. Short title.
 Sec. 302. Termination of prohibitions on expenditures for, and withdrawals from, offshore gas leasing.
 Sec. 303. Outer Continental Shelf natural gas leasing program.
 Sec. 304. Natural gas leasing.
 Sec. 305. Policies regarding buying and building American.

TITLE IV—OIL AND GAS LEASING PROGRAM FOR LANDS WITHIN
THE COASTAL PLAIN OF ALASKA

- Sec. 401. Short title.
 Sec. 402. Definitions.
 Sec. 403. Leasing program for lands within the Coastal Plain.
 Sec. 404. Lease sales.
 Sec. 405. Grant of leases by the Secretary.
 Sec. 406. Lease terms and conditions.
 Sec. 407. Coastal plain environmental protection.
 Sec. 408. Expedited judicial review.
 Sec. 409. Federal and State distribution of revenues.
 Sec. 410. Rights-of-way across the Coastal Plain.
 Sec. 411. Conveyance.
 Sec. 412. Local government impact aid and community service assistance.
 Sec. 413. ANWR Alternative Energy Trust Fund.

1 **TITLE I—ENHANCED VETERANS**
 2 **BENEFITS**

3 **SEC. 101. INCREASE IN AMOUNT OF BASIC EDUCATIONAL**
 4 **ASSISTANCE.**

5 Section 3015 of title 38, United States Code, is
 6 amended—

7 (1) in subsection (a)(1)—

8 (A) in subparagraph (A), by striking “Jan-
 9 uary 1, 2002, \$800” and inserting “January 1,
 10 2009, \$1,450”;

11 (B) by striking subparagraphs (B) and
 12 (C); and

1 (C) by redesignating subparagraph (D) as
 2 subparagraph (B); and

3 (2) in subsection (b)(1)—

4 (A) in subparagraph (A), by striking “Jan-
 5 uary 1, 2002, \$650” and inserting “January 1,
 6 2009, \$1,250”;

7 (B) by striking subparagraphs (B) and
 8 (C); and

9 (C) by redesignating subparagraph (D) as
 10 subparagraph (B).

11 **SEC. 102. EXTENSION OF TIME LIMITATION FOR USE OF**
 12 **ELIGIBILITY AND ENTITLEMENT TO EDU-**
 13 **CATIONAL ASSISTANCE.**

14 (a) **EXTENSION OF TIME LIMITATION.**—Section
 15 3031 of title 38, United States Code, is amended—

16 (1) by striking “10-year period” each place it
 17 appears and inserting “15-year period”; and

18 (2) in subsection (a)—

19 (A) in paragraph (1), by inserting “and”
 20 after the semicolon;

21 (B) in paragraph (2), by striking “; and”
 22 and inserting a period; and

23 (C) by striking paragraph (3).

24 (b) **EFFECTIVE DATE.**—The amendment made by
 25 subsection (a) shall apply with respect to an individual

1 who is entitled to educational assistance under chapter 30
2 of such title on the date that is 90 days after the date
3 of the enactment of this Act or who becomes entitled to
4 educational assistance under such chapter after such date.

5 **SEC. 103. MONTHLY STIPEND FOR RECIPIENTS OF EDU-**
6 **CATIONAL ASSISTANCE ALLOWANCE.**

7 (a) ENTITLEMENT TO MONTHLY STIPEND.—Sub-
8 chapter II of chapter 30 of title 38, United States Code,
9 is amended by adding at the end the following new section:

10 **“§ 3020A. Educational stipend**

11 “(a) ENTITLEMENT.—Each individual who is receiv-
12 ing educational assistance under this chapter and who is
13 pursuing a program of education at an institution of high-
14 er learning (as such term is defined in section 3452(f) of
15 this title) is entitled to an educational stipend under this
16 section.

17 “(b) AMOUNT OF STIPEND.—An educational stipend
18 under this section shall be paid to an individual who is
19 entitled to such a stipend—

20 “(1) in the case of an individual pursuing an
21 approved program of education on at least a half-
22 time basis, at the monthly rate of \$500; and

23 “(2) in the case of an individual pursuing an
24 approved program of education on less than a half-
25 time basis, at the monthly rate of \$250.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
 2 at the beginning of such chapter is amended by adding
 3 at the end of the items relating to subchapter II the fol-
 4 lowing new item:

“3020A. Educational stipend.”.

5 (c) EFFECTIVE DATE.—Section 3020A of title 38,
 6 United States Code, as added by subsection (a) shall take
 7 effect on the date that is two years after the date of the
 8 enactment of this Act and shall apply with respect to
 9 months beginning after that date.

10 **SEC. 104. EXTENSION OF PERIOD FOR COLLECTION OF FEE**
 11 **FOR BASIC EDUCATIONAL ASSISTANCE.**

12 (a) BASIC EDUCATIONAL ASSISTANCE FOR SERVICE
 13 ON ACTIVE DUTY.—Section 3011(b)(1) of title 38, United
 14 States Code, is amended—

15 (1) by striking “\$100” and inserting “\$50”;
 16 and

17 (2) by striking “12” and inserting “24”.

18 (b) BASIC EDUCATIONAL ASSISTANCE FOR SERVICE
 19 IN THE SELECTED RESERVE.—Section 3012(c)(1) of such
 20 title is amended—

21 (1) by striking “\$100” and inserting “\$50”;
 22 and

23 (2) by striking “12” and inserting “24”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall take effect on the date that is 90 days
 3 after the date of the enactment of this Act.

4 **SEC. 105. USE OF EDUCATIONAL ASSISTANCE FOR BUSI-**
 5 **NESS COURSES AND SEMINARS.**

6 (a) IN GENERAL.—The Secretary of Veterans Affairs
 7 shall ensure that individuals entitled to educational assist-
 8 ance under laws administered by the Secretary are entitled
 9 to use such assistance for business courses and seminars,
 10 if such courses or seminars are related to the operation
 11 of a business, and for continuing education courses. The
 12 Secretary shall treat the courses referred to in the pre-
 13 ceding sentence in a similar manner as licensing and cer-
 14 tification courses.

15 (b) EFFECTIVE DATE.—Subsection (a) shall take ef-
 16 fect on the date that is two years after the date of the
 17 enactment of this Act.

18 **SEC. 106. USE OF EDUCATIONAL ASSISTANCE FOR**
 19 **COURSES TAKEN TO PREPARE FOR LICENS-**
 20 **ING OR CERTIFICATION TESTS.**

21 (a) BASIC EDUCATIONAL ASSISTANCE.—Section
 22 3452(b) of title 38, United States Code, is amended by
 23 inserting after the fourth sentence the following new sen-
 24 tence: “Such term also includes preparatory courses for

1 licensing or certification tests described in the preceding
2 sentence, as designated by the Secretary.”.

3 (b) SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL
4 ASSISTANCE.—Section 3501(a)(5) of title 38, United
5 States Code, is amended by inserting after the second sen-
6 tence the following new sentence: “Such term also includes
7 preparatory courses for licensing or certification tests de-
8 scribed in the preceding sentence, as designated by the
9 Secretary.”.

10 (c) EFFECTIVE DATE.—The amendments made by
11 subsections (a) and (b) shall take effect on the date that
12 2 years after the date of the enactment of this Act.

13 **SEC. 107. USE OF EDUCATIONAL ASSISTANCE TO REPAY**
14 **FEDERAL STUDENT LOANS.**

15 (a) IN GENERAL.—Subchapter II of chapter 30 of
16 title 38, United States Code, as amended by section 103,
17 is further amended by inserting after section 3020A the
18 following new section:

19 **“§ 3020B. Use of educational assistance benefits for**
20 **the repayment of Federal student loans**
21 **for certain courses of education**

22 “(a) USE OF BENEFITS.—Notwithstanding any other
23 provision of this chapter, and subject to subsections (b)
24 through (e), an individual who is serving on active duty
25 and who is entitled to educational assistance under this

1 subchapter may apply amounts of such educational assist-
2 ance otherwise available to the individual to repay some
3 or all of any Federal student loan balance owed by the
4 individual for a course of education pursued by the indi-
5 vidual.

6 “(b) LIMITATIONS ON PAYMENTS.—(1) The amount
7 of an individual’s entitlement to educational assistance
8 that the individual may apply to the repayment of a stu-
9 dent loan balance under subsection (a) may not exceed
10 \$6,000 in any 12-month period.

11 “(2) In no event shall payment of educational assist-
12 ance under this section exceed the amount of the individ-
13 ual’s available entitlement under this chapter.

14 “(3) An individual entitled to educational assistance
15 under this subchapter may not apply such educational as-
16 sistance to any of the following:

17 “(A) A loan made to the parents of a dependent
18 student under section 428B of the Higher Education
19 Act of 1965.

20 “(B) A Federal Direct PLUS Loan made to the
21 parents of a dependent student.

22 “(C) A loan made under section 428C or
23 455(g) of such Act, to the extent that such loan was
24 used to repay—

1 “(i) a loan made to the parent of a de-
 2 pendent student under section 428B of such
 3 Act;

4 “(ii) a Federal Direct PLUS Loan made to
 5 the parents of a dependent student.

6 “(c) AMOUNT OF PAYMENTS.—The Secretary shall
 7 make monthly payments under this section in such
 8 amounts as the individual may elect for the repayment of
 9 a Federal student loan of such an individual.

10 “(d) ARRANGEMENTS TO MAKE PAYMENTS.—The
 11 Secretary shall enter into such arrangements, and shall
 12 prescribe such regulations, as may be necessary to carry
 13 out this section.

14 “(e) FEDERAL STUDENT LOAN DEFINED.—In this
 15 section, the term ‘Federal student loan’ means any loan
 16 made under title IV of the Higher Education Act of 1965
 17 (20 U.S.C. 1070 et seq.).”.

18 (b) CLERICAL AMENDMENT.—The table of sections
 19 of subchapter II of chapter 30 of such title is amended
 20 by inserting after the item relating to section 3020 the
 21 following new item:

 “3020B. Use of educational assistance benefits for the repayment of Federal
 student loans for certain courses of education.”.

22 (c) EFFECTIVE DATE.—Section 3020B of title 38,
 23 United States Code, as added by subsection (a) shall apply
 24 with respect to educational assistance paid for months be-

1 ginning after the date that is two years after the date of
2 the enactment of this Act.

3 **SEC. 108. OPPORTUNITY TO WITHDRAW ELECTION NOT TO**
4 **ENROLL IN EDUCATIONAL ASSISTANCE PRO-**
5 **GRAM.**

6 (a) BASIC EDUCATIONAL ASSISTANCE FOR ACTIVE
7 DUTY SERVICE.—

8 (1) OPPORTUNITY TO WITHDRAW.—Subsection
9 (c) of section 3011 of title 38, United States Code,
10 is amended by adding at the end the following new
11 paragraph:

12 “(4) An individual who makes an election not to re-
13 ceive educational assistance under paragraph (1) may
14 withdraw that election at any time and, after making such
15 withdrawal, shall be entitled to educational assistance
16 under this chapter in the same manner as if the individual
17 had never made that election, if—

18 “(A) at the time the individual makes such
19 withdrawal, the individual is serving on active duty
20 as a member of the Armed Forces; and

21 “(B) the basic pay of the individual is reduced
22 by, or the individual otherwise pays to the Secretary,
23 \$1,200 by not later than 90 days after the date on
24 which the individual is discharged or released from
25 active duty in the Armed Forces.”.

1 (2) CONFORMING AMENDMENT.—Paragraph (1)
2 of such subsection is amended in the third sentence
3 by striking “Any individual” and inserting “Except
4 as provided in paragraph (4), any individual”.

5 (b) BASIC EDUCATIONAL ASSISTANCE FOR SERVICE
6 IN THE SELECTED RESERVE.—

7 (1) OPPORTUNITY TO WITHDRAW.—Subsection
8 (d) of section 3012 of title 38, United States Code,
9 is amended by adding at the end the following new
10 paragraph:

11 “(4) An individual who makes an election not to re-
12 ceive educational assistance under paragraph (1) may
13 withdraw that election at any time and, after making such
14 withdrawal, shall be entitled to educational assistance
15 under this chapter in the same manner as if the individual
16 had never made that election, if—

17 “(A) at the time the individual makes such
18 withdrawal, the individual is serving on active duty
19 as a member of the Armed Forces; and

20 “(B) the basic pay of the individual is reduced
21 by, or the individual otherwise pays to the Secretary,
22 \$1,200 by not later than 90 days after the date on
23 which the individual is discharged or released from
24 active duty in the Armed Forces.”.

1 (2) CONFORMING AMENDMENT.—Paragraph (1)
 2 of such subsection is amended in the third sentence
 3 by striking “Any individual” and inserting “Except
 4 as provided in paragraph (4), any individual”.

5 (c) EFFECTIVE DATE.—The amendments made by
 6 subsections (a) and (b) shall take effect on the date that
 7 is 90 days after the date of the enactment of this Act and
 8 shall apply with respect to an individual who is serving
 9 on active duty as a member of the Armed Forces on or
 10 after that date.

11 **SEC. 109. MONTGOMERY GI BILL BENEFITS NOT TO RE-**
 12 **DUCE FINANCIAL AID.**

13 (a) IN GENERAL.—Section 480(j) of the Higher Edu-
 14 cation Act of 1965 (20 U.S.C. 1087vv(j)) Act is amend-
 15 ed—

16 (1) in paragraph (1), by striking “including vet-
 17 erans’ education benefits as defined in subsection
 18 (c),” and inserting “including, subject to paragraph
 19 (4), veterans’ education benefits as defined in sub-
 20 section (c),”; and

21 (2) by adding at the end the following new
 22 paragraph:

23 “(4) Notwithstanding paragraph (1), estimated fi-
 24 nancial assistance not received under this title shall not

1 include any veterans' benefits paid under chapter 30 of
2 title 38, United States Code.”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 subsection (a) shall take effect on the date that is 90 days
5 after the date of the enactment of this Act.

6 **SEC. 110. EXTENSION OF INCREASE IN BENEFIT FOR CER-**
7 **TAIN INDIVIDUALS PURSUING APPRENTICE-**
8 **SHIPS OR ON-JOB TRAINING.**

9 (a) MEMBERS OF THE SELECTED RESERVE.—Sub-
10 section (d) of section 103 of the Veterans Earn and Learn
11 Act of 2004 (Public Law 108–454; 38 U.S.C. 3032 note)
12 is amended by striking “January 1, 2008” and inserting
13 “January 1, 2014”.

14 (b) SURVIVORS AND DEPENDENTS.—Subsection (c)
15 of such section is amended by striking “January 1, 2008”
16 and inserting “January 1, 2014”.

17 (c) CERTAIN OTHER INDIVIDUALS.—Subsection (a)
18 of such section is amended by striking “January 1, 2008”
19 and inserting “January 1, 2014”.

20 (d) EFFECTIVE DATE.—The amendments made by
21 this section shall take effect on the date that is 90 days
22 after the date of the enactment of this Act.

1 **SEC. 111. MODIFICATION OF AMOUNT AVAILABLE FOR RE-**
2 **IMBURSEMENT OF STATE AND LOCAL AGEN-**
3 **CIES ADMINISTERING VETERANS EDUCATION**
4 **BENEFITS.**

5 Section 3674(a)(4) of title 38, United States Code,
6 is amended by striking “may not exceed \$13,000,000”
7 and all that follows through the end and inserting “shall
8 be \$19,000,000”.

9 **SEC. 112. PROVISION OF BASIC EDUCATIONAL ASSISTANCE**
10 **BENEFITS FOR VETERANS DISCHARGED**
11 **FROM ACTIVE DUTY WITH GENERAL DIS-**
12 **CHARGE.**

13 (a) **ACTIVE DUTY SERVICE.**—Section 3011(a)(3)(B)
14 of title 38, United States Code, is amended by inserting
15 “or a general discharge (under honorable conditions)” be-
16 fore the period at the end.

17 (b) **SERVICE IN SELECTED RESERVE.**—Section
18 3012(a)(3)(A) of such title is amended by inserting “or
19 a general discharge (under honorable conditions)” before
20 the semicolon.

21 (c) **EFFECTIVE DATE.**—The amendments made by
22 subsections (a) and (b) shall apply with respect to an indi-
23 vidual who is discharged from service in the Armed Forces
24 after the date that is 90 days after the date of the enact-
25 ment of this Act.

1 **SEC. 113. INCREASE IN AMOUNT OF REPORTING FEE PAY-**
2 **ABLE TO EDUCATIONAL INSTITUTIONS THAT**
3 **ENROLL VETERANS RECEIVING EDU-**
4 **CATIONAL ASSISTANCE.**

5 (a) INCREASE IN AMOUNT OF FEE.—Subsection (c)
6 of section 3684 of title 38, United States Code, is amend-
7 ed—

8 (1) by striking “\$7” and inserting “\$21”; and

9 (2) by striking “\$11” and inserting “\$21”.

10 (b) TECHNICAL CORRECTION.—Subsection (a) of
11 such section is amended by striking the second comma
12 after “34”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 subsections (a) and (b) shall take effect on the date that
15 is 90 days after the date of the enactment of this Act.

16 **SEC. 114. PROVISION OF ADDITIONAL AREAS OF WORK-**
17 **STUDY FOR VETERANS.**

18 (a) IN GENERAL.—Subsection (a)(4) of section 3485
19 of title 38, United States Code, is amended by adding at
20 the end the following new subparagraph:

21 “(G) The provision of placement services de-
22 scribed in section 3104(a)(5) of this title at an edu-
23 cational institution carried out under the supervision
24 of a Department employee.”.

1 (b) WORK STUDY FOR STUDENTS ENROLLED ON
2 HALF-TIME BASIS.—Subsection (b) of such section is
3 amended—

4 (1) in the first sentence, by striking “three-
5 quarters” and inserting “half”; and

6 (2) in the third sentence, by striking “three-
7 quarter-time” and inserting “half-time”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply with respect to agreements entered
10 into under section 3485 of title 38, United States Code,
11 after the date that is 90 days after the date of the enact-
12 ment of this Act.

13 **SEC. 115. 5-YEAR PILOT PROGRAM FOR ON-CAMPUS WORK-**
14 **STUDY POSITIONS.**

15 (a) ESTABLISHMENT OF PILOT PROGRAM.—Begin-
16 ning not later than two years after the date of the enact-
17 ment of this Act, the Secretary of Veterans Affairs shall
18 conduct a five-year pilot project to test the feasibility and
19 advisability of expanding the scope of qualifying work-
20 study activities under subsection (a)(4) of section 3485
21 of title 38, United States Code, including work-study posi-
22 tions available on site at educational institutions.

23 (b) TYPE OF WORK-STUDY POSITIONS.—The work-
24 study positions referred to in subsection (a) may include
25 positions in academic departments (including positions as

1 tutors or research, teaching, and lab assistants) and in
2 student services (including positions in career centers and
3 financial aid, campus orientation, cashiers, admissions,
4 records, and registration offices).

5 (c) REGULATIONS.—The Secretary shall prescribe
6 regulations to carry out the pilot project under this sec-
7 tion, including regulations providing for the supervision of
8 work-study positions referred to in subsection (a) by ap-
9 propriate personnel.

10 (d) AUTHORIZATION OF APPROPRIATIONS.—There
11 are authorized to be appropriated to the Secretary
12 \$10,000,000 for each of the fiscal years during which the
13 Secretary carries out the pilot project under this section.

14 **SEC. 116. INCREASE IN EMPLOYEES FOR EDUCATION SERV-**
15 **ICE.**

16 The Secretary of Veterans Affairs shall increase the
17 number of full-time employees of the Education Service
18 of the Department of Veterans Affairs by 150 additional
19 such employees.

20 **SEC. 117. UPGRADE OF CERTAIN INFORMATION TECH-**
21 **NOLOGY.**

22 (a) ACTION PLAN REQUIRED.—The Chief Informa-
23 tion Officer of the Department of Veterans Affairs, in co-
24 ordination with the Director of the Department of Vet-
25 erans Affairs Education Service, shall submit to the Com-

1 mittees on Veterans' Affairs of the Senate and House of
2 Representatives and action plan describing how the Chief
3 Information Officer and Director of the Department of
4 Veterans Affairs Education Service intend to upgrade the
5 information technology system of the Department of Vet-
6 eran Affairs that is used in connection with the adminis-
7 tration of educational benefits under laws administered by
8 the Secretary of Veterans Affairs. The Chief Information
9 Officer and Director of the Department of Veterans Af-
10 fairs Education Service shall update the committees at
11 least annually on any progress made in upgrading such
12 system.

13 (b) AUTHORIZATION OF APPROPRIATIONS.—There is
14 authorized to be appropriated to upgrade the information
15 technology system of the Department of Veteran Affairs
16 that is used in connection with the administration of edu-
17 cational benefits under laws administered by the Secretary
18 of Veterans Affairs—

- 19 (1) \$8,000,000 for fiscal year 2009; and
20 (2) \$3,000,000 for each of fiscal years 2010,
21 2011, and 2012.

1 **SEC. 118. MODIFICATION OF ADVANCE PAYMENT OF INI-**
2 **TIAL EDUCATIONAL ASSISTANCE OR SUB-**
3 **SISTENCE ALLOWANCE.**

4 (a) MODIFICATION.—Section 3680(d)(2) of title 38,
5 United States Code, is amended by inserting after the
6 third sentence the following new sentence: “For purposes
7 of the entitlement to educational assistance of the veteran
8 or person receiving an advance payment under this sub-
9 section, the advance payment shall be charged against the
10 final month of the entitlement of the person or veteran
11 and, if necessary, the penultimate such month. In no event
12 may any veteran or person receive more than one advance
13 payment under this subsection during any academic
14 year.”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 subsection (a) shall apply with respect to an advance pay-
17 ment of educational assistance made after the date that
18 is 90 days after the date of the enactment of this Act.

19 **SEC. 119. MODIFICATION OF PERIOD OF ELIGIBILITY AP-**
20 **PLICABLE TO CERTAIN SPOUSES OF INDIVID-**
21 **UALS WITH SERVICE-CONNECTED TOTAL DIS-**
22 **ABILITIES PERMANENT IN NATURE.**

23 Section 3512(b)(1) of title 38, United States Code,
24 is amended—

1 (1) in subparagraph (A), by striking “subpara-
 2 graph (B) or (C)” and inserting “subparagraphs
 3 (B), (C), and (D)”; and

4 (2) by adding at the end the following new sub-
 5 paragraph:

6 “(D) Notwithstanding subparagraph (A), an eligible
 7 person referred to in that subparagraph who is made eligi-
 8 ble under section 3501(a)(1)(D)(i) of this title by reason
 9 of a service-connected disability that was determined to
 10 be a total disability permanent in nature not later than
 11 three years after discharge from service may be afforded
 12 educational assistance under this chapter during the 20-
 13 year period beginning on the date the disability was so
 14 determined to be a total disability permanent in nature,
 15 but only if the eligible person remains the spouse of the
 16 disabled person throughout the period.”.

17 **SEC. 120. CONSIDERATION OF ADDITIONAL CONTRIBU-**
 18 **TIONS AND PAYMENTS IN CALCULATING EN-**
 19 **TITLEMENT CHARGE FOR CERTAIN PRO-**
 20 **GRAMS OF EDUCATION.**

21 (a) TUITION ASSISTANCE.—Section 3014(b)(2)(C) is
 22 amended by striking “or (e)(1) of section 3015 of this
 23 title,” and inserting “(e)(1), or (g) of section 3015 of this
 24 title, or section 16131(i) of title 10,”.

1 (b) FLIGHT TRAINING.—Section 3032(e)(3) is
 2 amended by striking “or (e)(1) of section 3015 of this
 3 title,” and inserting “(e)(1), or (g) of section 3015 of this
 4 title, or section 16131(i) of title 10,”.

5 (c) LICENSING AND CERTIFICATION TESTS.—Section
 6 3032(f)(2) is amended by striking “or (e)(1) of section
 7 3015 of this title,” and inserting “(e)(1), or (g) of section
 8 3015 of this title, or section 16131(i) of title 10,”.

9 **SEC. 121. INCREASE IN AMOUNT OF EDUCATIONAL ASSIST-**
 10 **ANCE FOR MEMBERS OF THE SELECTED RE-**
 11 **SERVE AND RESERVE COMPONENT MEMBERS**
 12 **SUPPORTING CONTINGENCY OPERATIONS**
 13 **AND CERTAIN OTHER OPERATIONS.**

14 (a) MEMBERS OF THE SELECTED RESERVE.—Sec-
 15 tion 16131(b) of title 10, United States Code, is amend-
 16 ed—

17 (1) in paragraph (1), by striking “at the fol-
 18 lowing rates” and all that follows through the end;

19 (2) by striking paragraph (2);

20 (3) by inserting after paragraph (1) the fol-
 21 lowing new paragraphs:

22 “(2) The educational assistance allowance provided
 23 under this subchapter shall be based on the applicable per-
 24 cent under paragraph (4) of the applicable rate provided
 25 under section 3015 of title 38 for a member whose entitle-

1 ment is based on completion of an obligated period of ac-
 2 tive duty of 3 years.

3 “(3) The educational assistance allowance provided
 4 under this section for a person who is undertaking a pro-
 5 gram for which a reduced rate is specified in chapter 30
 6 of such title, that rate shall be further adjusted by the
 7 applicable percent specified in paragraph (4).

8 “(4) The adjusted educational assistance allowance
 9 under paragraph (2) or (3), as applicable, shall be 47 per-
 10 cent.”.

11 (b) RESERVE COMPONENT MEMBERS SUPPORTING
 12 CONTINGENCY OPERATIONS AND CERTAIN OTHER OPER-
 13 ATIONS.—Paragraph (4) of section 16162(c) of title 10,
 14 United States Code, is amended to read as follows:

15 “(4) The adjusted educational assistance allowance
 16 under paragraph (2) or (3), as applicable, shall be—

17 “(A) 50 percent in the case of a member of a
 18 reserve component who performed active service for
 19 90 cumulative days but less than 180 cumulative
 20 days;

21 “(B) 55 percent in the case of a member of a
 22 reserve component who performed active service for
 23 180 cumulative days but less than 365 cumulative
 24 days;

1 “(C) 60 percent in the case of a member of a
2 reserve component who performed active service for
3 365 cumulative days but less than 545 cumulative
4 days;

5 “(D) 70 percent in the case of a member of a
6 reserve component who performed active service for
7 545 cumulative days but less than 730 cumulative
8 days;

9 “(E) 80 percent in the case of a member of a
10 reserve component who performed active service for
11 730 cumulative days but less than 910 cumulative
12 days;

13 “(F) 90 percent in the case of a member of a
14 reserve component who performed active service for
15 910 cumulative days but less than 1095 cumulative
16 days; and

17 “(G) 100 percent in the case of a member of
18 a reserve component who performed active service
19 for 1095 cumulative days or more.”.

1 **SEC. 122. EXPANSION OF PROGRAMS OF EDUCATION ELIGI-**
2 **BLE FOR ACCELERATED PAYMENTS OF EDU-**
3 **CATIONAL ASSISTANCE UNDER LAWS ADMIN-**
4 **ISTERED BY SECRETARY OF VETERANS AF-**
5 **FAIRS.**

6 (a) COMMERCIAL DRIVER'S LICENSE TRAINING PRO-
7 GRAMS.—Subsection (b)(1) of section 3014A of title 38,
8 United States Code, is amended—

9 (1) by inserting “(A)” after “that leads to”;
10 and

11 (2) by inserting before the semicolon at the end
12 the following: “or (B) employment as an operator of
13 a commercial motor vehicle (as defined in section
14 31301(4) of title 49)”.

15 (b) CONFORMING AMENDMENTS.—

16 (1) HEADING.—The heading of section 3014A
17 of such title is amended by adding at the end the
18 following: “**and employment in certain**
19 **other occupations**”.

20 (2) TABLE OF SECTIONS.—The table of sections
21 at the beginning of chapter 30 of such title is
22 amended in the item relating to section 3014A by
23 inserting before the period at the end the following:

“and employment in certain other occupations”.

TITLE II—CIVIL SERVICE ENTITLEMENT REFORM

SEC. 201. VOUCHER PLAN FOR FEHBP.

(a) IN GENERAL.—Section 8906(b) of title 5, United States Code, is amended to read as follows:

“(b)(1) Except as otherwise provided in this subsection, the maximum annual Government contribution for an employee or annuitant enrolled in a health benefits plan under this chapter is, for any year beginning after 2009, equal to—

“(A) \$3,600 in the case of an employee or annuitant enrolled for self alone; and

“(B) \$8,400 in the case of an employee or annuitant enrolled for self and family.

“(2)(A) In the case of each year beginning after 2010, each of the dollar amounts in paragraph (1) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment for such year.

“(B) For purposes of subparagraph (A), the cost-of-living adjustment for any year is the percentage (if any) by which—

“(i) the CPI for the preceding year, exceeds

“(ii) the CPI for 2009.

1 “(C) For purposes of subparagraph (B), the CPI for
2 any year is the average of the Consumer Price Index for
3 the 12-month period ending on June 30 of such year.

4 “(D) For purposes of subparagraph (C), the term
5 ‘Consumer Price Index’ means the Consumer Price Index
6 (all items-United States city average) published monthly
7 by the Bureau of Labor Statistics.

8 “(E) If any increase determined under subparagraph
9 (A) is not a multiple of \$50, such increase shall be round-
10 ed to the next lowest multiple of \$50.

11 “(3) The biweekly Government contribution for an
12 employee or annuitant enrolled in a health benefits plan
13 under this chapter shall be the amount equal to—

14 “(A) the amount of the biweekly subscription
15 charge, multiplied by

16 “(B) the lesser of—

17 “(i) the percentage determined by dividing
18 the dollar amount specified in paragraph (1)(A)
19 or (1)(B) (as applicable) by the total annual
20 subscription charge, or

21 “(ii) 75 percent.

22 “(4) In the case of an employee who is occupying a
23 position on a part-time career employment basis (as de-
24 fined in section 3401(2)), the biweekly Government con-
25 tribution shall be equal to the amount which bears the

1 same ratio to the amount determined under paragraph (3)
 2 as the average number of hours in such employee's regu-
 3 larly scheduled workweek bears to the average number of
 4 hours in the regularly scheduled workweek of an employee
 5 serving in a comparable position on a full-time career basis
 6 (as determined under regulations prescribed by the Of-
 7 fice).

8 “(5) For an employee, the Government contribution
 9 computed under this subsection with respect to a year be-
 10 gins on the first day of the employee's first pay period
 11 of each year. For an annuitant, the Government contribu-
 12 tion begins on the first day of the first period of the year
 13 for which an annuity payment is made.”.

14 (b) CONFORMING AMENDMENT.—Section 8906(a) of
 15 title 5, United States Code, is repealed.

16 (c) SAVINGS PROVISIONS.—

17 (1) IN GENERAL.—For the purposes described
 18 in paragraph (2), the provisions of chapter 89 of
 19 title 5, United States Code, shall be applied as if the
 20 amendments made by this section had not been en-
 21 acted.

22 (2) PURPOSES DESCRIBED.—Paragraph (1)
 23 shall apply for purposes of determining the indi-
 24 vidual and Government contributions payable—

1 (A) for any period before the first day of
 2 the first applicable pay or other period begin-
 3 ning in 2010, in the case of any individual; and

4 (B) for any period beginning on or after
 5 the first day described in subparagraph (A), in
 6 the case of any individual who, as of the date
 7 of the enactment of this Act—

8 (i) is enrolled in a health benefits plan
 9 under chapter 89 of such title 5 as an an-
 10 nuitant; or

11 (ii) would (but for being enrolled as a
 12 family member) be eligible under section
 13 8905(b) of such title for continued enroll-
 14 ment as an annuitant.

15 **SEC. 202. GOVERNMENT CONTRIBUTIONS FOR ANNUITANTS**
 16 **UNDER FEHBP TO BE DETERMINED BASED**
 17 **ON LENGTH OF GOVERNMENT SERVICE.**

18 Section 8906(b) of title 5, United States Code, as
 19 amended by section 201, is further amended—

20 (1) by redesignating paragraph (5) as para-
 21 graph (6); and

22 (2) by inserting after paragraph (4) the fol-
 23 lowing:

24 “(5)(A) In the case of an annuitant, the dollar
 25 amount specified in paragraph (1)(A) or (1)(B) (as appli-

1 cable) shall be reduced by $\frac{1}{6}$ of 1 percent for each full
 2 month that—

3 “(i) in the case of an annuitant within the
 4 meaning of subparagraph (A) or (C) of section
 5 8901(3), the total amount of creditable service per-
 6 formed by such annuitant is less than 20 years; and

7 “(ii) in the case of an annuitant within the
 8 meaning of subparagraph (B) or (D) of section
 9 8901(3), the total amount of creditable service per-
 10 formed by the deceased employee or former employee
 11 (as referred to in such subparagraph (B) or (D), as
 12 applicable) is less than 20 years.

13 “(B) For purposes of subparagraph (A), the term
 14 ‘creditable service’ means any employment creditable
 15 under section 8332 or 8411.

16 “(C) Nothing in this paragraph shall apply in the
 17 case of any individual who becomes an annuitant, within
 18 the meaning of section 8901(3), before January 1, 2010.”.

19 **SEC. 203. BENEFITS UNDER CSRS AND FERS TO BE COM-**
 20 **PUTED BASED ON MODIFIED DEFINITION OF**
 21 **“AVERAGE PAY”.**

22 (a) IN GENERAL.—Section 8331(4) of title 5, United
 23 States Code, is amended by striking “3” each place it ap-
 24 pears and inserting “5”.

1 (b) EFFECTIVE DATE.—The amendments made by
 2 subsection (a) shall apply with respect to any annuity
 3 which is payable based on a separation from service occur-
 4 ring after September 30, 2008.

5 (c) SAVINGS PROVISION.—For purposes of any annu-
 6 ity which is payable based on a separation from service
 7 occurring before October 1, 2008, the provisions of section
 8 8331(4) of title 5, United States Code, shall be applied
 9 as if the amendments made by subsection (a) had not been
 10 enacted.

11 **SEC. 204. ELIMINATION OF ANNUITY SUPPLEMENT UNDER**
 12 **FERS AND RELATED RETIREMENT SYSTEMS.**

13 (a) SUPPLEMENTS UNDER FERS.—Chapter 84 of
 14 title 5, United States Code, is amended—

15 (1) by repealing sections 8421 and 8421a; and

16 (2) by repealing subsection (f) of section 8442.

17 (b) SUPPLEMENT UNDER FOREIGN SERVICE PEN-
 18 SION SYSTEM.—Subsection (c) of section 855 of the For-
 19 eign Service Act of 1980 (22 U.S.C. 4071d(c)) is repealed.

20 (c) SUPPLEMENT UNDER CENTRAL INTELLIGENCE
 21 AGENCY RETIREMENT AND DISABILITY SYSTEM.—Para-
 22 graph (2) of section 305(c) of the Central Intelligence
 23 Agency Retirement Act (50 U.S.C. 2154(c)(2)) is repealed.

24 (d) TECHNICAL AND CONFORMING AMENDMENTS.—

25 (1) Section 8349(a)(3)(B)(i)(II) of title 5, United States

1 Code, is amended by striking “section 8421(b)(3)” and
 2 inserting “section 8421(b)(3) (as last in effect)”.

3 (2) The analysis for chapter 84 of title 5, United
 4 States Code, is amended by repealing the items relating
 5 to sections 8421 and 8421a, respectively.

6 (e) EFFECTIVE DATE.—The amendments made by
 7 this section shall apply with respect to any individual
 8 whose entitlement to retirement benefits under the Fed-
 9 eral Employees’ Retirement System (or other retirement
 10 system) is based on a separation from service occurring
 11 on or after the date of the enactment of this Act.

12 **TITLE III—NATIONAL ENVIRON-** 13 **MENT AND ENERGY DEVEL-** 14 **OPMENT ACT**

15 **SEC. 301. SHORT TITLE.**

16 This title may be cited as the “National Environment
 17 and Energy Development Act”.

18 **SEC. 302. TERMINATION OF PROHIBITIONS ON EXPENDI-** 19 **TURES FOR, AND WITHDRAWALS FROM, OFF-** 20 **SHORE GAS LEASING.**

21 (a) PROHIBITIONS ON EXPENDITURES.—All provi-
 22 sions of Federal law that prohibit the expenditure of ap-
 23 propriated funds to conduct natural gas leasing and
 24 preleasing activities for any area of the Outer Continental

1 Shelf shall have no force or effect with respect to such
2 activities.

3 (b) REVOCATION WITHDRAWALS.—All withdrawals
4 of Federal submerged lands of the Outer Continental Shelf
5 from leasing, including withdrawals by the President
6 under the authority of section 12(a) of the Outer Conti-
7 nental Shelf Lands Act (43 U.S.C. 1341(a)), are hereby
8 revoked and are no longer in effect with respect to the
9 leasing of areas for exploration for, and development and
10 production of, natural gas.

11 (c) PROHIBITIONS AND WITHDRAWALS FOR OIL NOT
12 AFFECTED.—This section does not affect—

13 (1) any prohibition on the expenditure of appro-
14 priated funds to conduct oil leasing or preleasing ac-
15 tivities; and

16 (2) any withdrawal of Federal submerged lands
17 from leasing for exploration for, and development
18 and production of, oil.

19 **SEC. 303. OUTER CONTINENTAL SHELF NATURAL GAS**
20 **LEASING PROGRAM.**

21 The Outer Continental Shelf Lands Act (43 U.S.C.
22 1331 et seq.) is amended by inserting after section 9 the
23 following:

1 **“SEC. 10. MORATORIA AREA AND STATE APPROVAL RE-**
2 **QUIREMENT WITH RESPECT TO NATURAL**
3 **GAS LEASING.**

4 “(a) BUFFER ZONE.—The Secretary may not grant
5 any natural gas lease for any area of the outer Continental
6 Shelf that is located within 25 miles of the coastline of
7 a State.

8 “(b) STATE APPROVAL REQUIREMENT.—

9 “(1) IN GENERAL.—The Secretary may not
10 issue any lease authorizing exploration for, or devel-
11 opment of, natural gas in any area of the outer Con-
12 tinental Shelf that is located within 50 miles of the
13 coastline of a State unless the State has enacted a
14 law approving of the issuance of such leases by the
15 Secretary.

16 “(2) STATE APPROVAL PERMANENT.—Repeal of
17 such a law by a State shall have no effect for pur-
18 poses of paragraph (1).

19 “(c) STATE DISAPPROVAL AUTHORITY.—

20 “(1) IN GENERAL.—The Secretary may not
21 issue any lease authorizing exploration for, or devel-
22 opment of, natural gas in any area of the outer Con-
23 tinental Shelf that is located more than 50 miles and
24 less than 100 miles from the coastline of a State if
25 the State has enacted a law disapproving of the
26 issuance of such leases by the Secretary.

1 “(2) REQUIREMENTS FOR STATE LAW.—A law
2 enacted by a State for purposes of paragraph (1)—

3 “(A) shall have no force or effect for pur-
4 poses of paragraph (1) unless first enacted by
5 the State within the one-year period beginning
6 on the date of the enactment of the National
7 Environment and Energy Development Act; and

8 “(B) shall have no force or effect for pur-
9 poses of paragraph (1) after the end of the 2-
10 year period beginning on the date it first takes
11 effect, unless the State, in the 2-year period
12 preceding the application of the law for pur-
13 poses of paragraph (1), enacted legislation ex-
14 tending the effectiveness of the law.”.

15 **SEC. 304. NATURAL GAS LEASING.**

16 Section 8 of the Outer Continental Shelf Lands Act
17 (43 U.S.C. 1337) is further amended by adding at the
18 end the following subsection:

19 “(r) NATURAL GAS LEASING.—

20 “(1) IN GENERAL.—The Secretary may issue
21 leases under this section that authorize development
22 and production of natural gas and associated con-
23 densate in accordance with regulations promulgated
24 under paragraph (2).

1 “(2) REGULATIONS.—Before issuing any lease
2 under paragraph (1), the Secretary must promulgate
3 regulations that—

4 “(A) define what constitutes natural gas,
5 condensate, and oil;

6 “(B) establish the lessee’s rights and obli-
7 gations regarding condensate produced in asso-
8 ciation with natural gas;

9 “(C) prescribe procedures and require-
10 ments that the lessee of a lease issued under
11 this subsection must follow if the lessee dis-
12 covers oil deposits in the course of exploration
13 or development; and

14 “(D) establish such other requirements for
15 natural gas leases as the Secretary considers
16 appropriate.

17 “(3) APPLICATION OF OTHER LAWS.—All provi-
18 sions of this Act or any other Federal law or regula-
19 tions that apply to oil and natural gas leases for the
20 Outer Continental Shelf shall apply to natural gas-
21 only leases authorized under this subsection.

22 “(4) EXISTING LEASES.—At the request of the
23 lessee of an oil and gas lease in effect under this sec-
24 tion on the date of enactment of this subsection, and
25 under the requirements prescribed in regulations

1 promulgated under paragraph (2), the Secretary
 2 may restrict development under such a lease to nat-
 3 ural gas and associated condensate.

4 “(5) OIL AND GAS LEASING PROGRAMS.—The
 5 Secretary may include provisions regarding issuance
 6 of natural gas leases in the outer Continental shelf
 7 leasing program that applies for the 5-year period
 8 beginning in 2007, notwithstanding any draft pro-
 9 posal for such program issued before the date of the
 10 enactment of this subsection.

11 “(6) PROHIBITIONS AND WITHDRAWALS FOR
 12 OIL NOT AFFECTED.—This subsection does not af-
 13 fect—

14 “(A) any prohibition on the expenditure of
 15 appropriated funds to conduct oil leasing or
 16 preleasing activities; and

17 “(B) any withdrawal of Federal submerged
 18 lands from leasing for exploration for, and de-
 19 velopment and production of, oil.”.

20 **SEC. 305. POLICIES REGARDING BUYING AND BUILDING**
 21 **AMERICAN.**

22 (a) INTENT OF CONGRESS.—It is the intent of the
 23 Congress that this title, among other things, result in a
 24 healthy and growing American industrial, manufacturing,
 25 transportation, and service sector employing the vast tal-

1 ents of America’s workforce to assist in the development
2 of affordable energy from the Outer Continental Shelf.
3 Moreover, the Congress intends to monitor the deployment
4 of personnel and material in the Outer Continental Shelf
5 to encourage the development of American technology and
6 manufacturing to enable United States workers to benefit
7 from this title by good jobs and careers, as well as the
8 establishment of important industrial facilities to support
9 expanded access to American resources.

10 (b) SAFEGUARD FOR EXTRAORDINARY ABILITY.—
11 Section 30(a) of the Outer Continental Shelf Lands Act
12 (43 U.S.C. 1356(a)) is amended in the matter preceding
13 paragraph (1) by striking “regulations which” and insert-
14 ing “regulations that shall be supplemental and com-
15 plimentary with and under no circumstances a substi-
16 tution for the provisions of the Constitution and laws of
17 the United States extended to the subsoil and seabed of
18 the outer Continental Shelf pursuant to section 4 of this
19 Act, except insofar as such laws would otherwise apply to
20 individuals who have extraordinary ability in the sciences,
21 arts, education, or business, which has been demonstrated
22 by sustained national or international acclaim, and that”.

1 **TITLE IV—OIL AND GAS LEASING**
2 **PROGRAM FOR LANDS WITH-**
3 **IN THE COASTAL PLAIN OF**
4 **ALASKA**

5 **SECTION 401. SHORT TITLE.**

6 This title may be cited as the “American Energy
7 Independence and Price Reduction Act”.

8 **SEC. 402. DEFINITIONS.**

9 In this title:

10 (1) **COASTAL PLAIN.**—The term “Coastal
11 Plain” means that area described in appendix I to
12 part 37 of title 50, Code of Federal Regulations.

13 (2) **SECRETARY.**—The term “Secretary”, except
14 as otherwise provided, means the Secretary of the
15 Interior or the Secretary’s designee.

16 **SEC. 403. LEASING PROGRAM FOR LANDS WITHIN THE**
17 **COASTAL PLAIN.**

18 (a) **IN GENERAL.**—The Secretary shall take such ac-
19 tions as are necessary—

20 (1) to establish and implement, in accordance
21 with this title and acting through the Director of the
22 Bureau of Land Management in consultation with
23 the Director of the United States Fish and Wildlife
24 Service, a competitive oil and gas leasing program
25 that will result in an environmentally sound program

1 for the exploration, development, and production of
2 the oil and gas resources of the Coastal Plain; and

3 (2) to administer the provisions of this title
4 through regulations, lease terms, conditions, restric-
5 tions, prohibitions, stipulations, and other provisions
6 that ensure the oil and gas exploration, development,
7 and production activities on the Coastal Plain will
8 result in no significant adverse effect on fish and
9 wildlife, their habitat, subsistence resources, and the
10 environment, including, in furtherance of this goal,
11 by requiring the application of the best commercially
12 available technology for oil and gas exploration, de-
13 velopment, and production to all exploration, devel-
14 opment, and production operations under this title
15 in a manner that ensures the receipt of fair market
16 value by the public for the mineral resources to be
17 leased.

18 (b) REPEAL.—

19 (1) REPEAL.—Section 1003 of the Alaska Na-
20 tional Interest Lands Conservation Act of 1980 (16
21 U.S.C. 3143) is repealed.

22 (2) CONFORMING AMENDMENT.—The table of
23 contents in section 1 of such Act is amended by
24 striking the item relating to section 1003.

1 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-
2 TAIN OTHER LAWS.—

3 (1) COMPATIBILITY.—For purposes of the Na-
4 tional Wildlife Refuge System Administration Act of
5 1966 (16 U.S.C. 668dd et seq.), the oil and gas
6 leasing program and activities authorized by this
7 section in the Coastal Plain are deemed to be com-
8 patible with the purposes for which the Arctic Na-
9 tional Wildlife Refuge was established, and no fur-
10 ther findings or decisions are required to implement
11 this determination.

12 (2) ADEQUACY OF THE DEPARTMENT OF THE
13 INTERIOR’S LEGISLATIVE ENVIRONMENTAL IMPACT
14 STATEMENT.—The “Final Legislative Environ-
15 mental Impact Statement” (April 1987) on the
16 Coastal Plain prepared pursuant to section 1002 of
17 the Alaska National Interest Lands Conservation
18 Act of 1980 (16 U.S.C. 3142) and section 102(2)(C)
19 of the National Environmental Policy Act of 1969
20 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the re-
21 quirements under the National Environmental Policy
22 Act of 1969 that apply with respect to prelease ac-
23 tivities, including actions authorized to be taken by
24 the Secretary to develop and promulgate the regula-
25 tions for the establishment of a leasing program au-

1 thorized by this title before the conduct of the first
2 lease sale.

3 (3) COMPLIANCE WITH NEPA FOR OTHER AC-
4 TIONS.—Before conducting the first lease sale under
5 this title, the Secretary shall prepare an environ-
6 mental impact statement under the National Envi-
7 ronmental Policy Act of 1969 with respect to the ac-
8 tions authorized by this title that are not referred to
9 in paragraph (2). Notwithstanding any other law,
10 the Secretary is not required to identify nonleasing
11 alternative courses of action or to analyze the envi-
12 ronmental effects of such courses of action. The Sec-
13 retary shall only identify a preferred action for such
14 leasing and a single leasing alternative, and analyze
15 the environmental effects and potential mitigation
16 measures for those two alternatives. The identifica-
17 tion of the preferred action and related analysis for
18 the first lease sale under this title shall be completed
19 within 18 months after the date of enactment of this
20 Act. The Secretary shall only consider public com-
21 ments that specifically address the Secretary's pre-
22 ferred action and that are filed within 20 days after
23 publication of an environmental analysis. Notwith-
24 standing any other law, compliance with this para-
25 graph is deemed to satisfy all requirements for the

1 analysis and consideration of the environmental ef-
2 fects of proposed leasing under this title.

3 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-
4 ITY.—Nothing in this title shall be considered to expand
5 or limit State and local regulatory authority.

6 (e) SPECIAL AREAS.—

7 (1) IN GENERAL.—The Secretary, after con-
8 sultation with the State of Alaska, the city of
9 Kaktovik, and the North Slope Borough, may des-
10 ignate up to a total of 45,000 acres of the Coastal
11 Plain as a Special Area if the Secretary determines
12 that the Special Area is of such unique character
13 and interest so as to require special management
14 and regulatory protection. The Secretary shall des-
15 ignate as such a Special Area the Sadlerochit Spring
16 area, comprising approximately 4,000 acres.

17 (2) MANAGEMENT.—Each such Special Area
18 shall be managed so as to protect and preserve the
19 area's unique and diverse character including its
20 fish, wildlife, and subsistence resource values.

21 (3) EXCLUSION FROM LEASING OR SURFACE
22 OCCUPANCY.—The Secretary may exclude any Spe-
23 cial Area from leasing. If the Secretary leases a Spe-
24 cial Area, or any part thereof, for purposes of oil
25 and gas exploration, development, production, and

1 related activities, there shall be no surface occu-
2 pancy of the lands comprising the Special Area.

3 (4) DIRECTIONAL DRILLING.—Notwithstanding
4 the other provisions of this subsection, the Secretary
5 may lease all or a portion of a Special Area under
6 terms that permit the use of horizontal drilling tech-
7 nology from sites on leases located outside the Spe-
8 cial Area.

9 (f) LIMITATION ON CLOSED AREAS.—The Sec-
10 retary's sole authority to close lands within the Coastal
11 Plain to oil and gas leasing and to exploration, develop-
12 ment, and production is that set forth in this title.

13 (g) REGULATIONS.—

14 (1) IN GENERAL.—The Secretary shall pre-
15 scribe such regulations as may be necessary to carry
16 out this title, including rules and regulations relating
17 to protection of the fish and wildlife, their habitat,
18 subsistence resources, and environment of the Coast-
19 al Plain, by no later than 15 months after the date
20 of enactment of this Act.

21 (2) REVISION OF REGULATIONS.—The Sec-
22 retary shall periodically review and, if appropriate,
23 revise the rules and regulations issued under sub-
24 section (a) to reflect any significant biological, envi-

1 ronmental, or engineering data that come to the Sec-
2 retary's attention.

3 **SEC. 404. LEASE SALES.**

4 (a) IN GENERAL.—Lands may be leased pursuant to
5 this title to any person qualified to obtain a lease for de-
6 posits of oil and gas under the Mineral Leasing Act (30
7 U.S.C. 181 et seq.).

8 (b) PROCEDURES.—The Secretary shall, by regula-
9 tion, establish procedures for—

10 (1) receipt and consideration of sealed nomina-
11 tions for any area in the Coastal Plain for inclusion
12 in, or exclusion (as provided in subsection (c)) from,
13 a lease sale;

14 (2) the holding of lease sales after such nomina-
15 tion process; and

16 (3) public notice of and comment on designa-
17 tion of areas to be included in, or excluded from, a
18 lease sale.

19 (c) LEASE SALE BIDS.—Bidding for leases under
20 this title shall be by sealed competitive cash bonus bids.

21 (d) ACREAGE MINIMUM IN FIRST SALE.—In the first
22 lease sale under this title, the Secretary shall offer for
23 lease those tracts the Secretary considers to have the
24 greatest potential for the discovery of hydrocarbons, tak-

1 ing into consideration nominations received pursuant to
2 subsection (b)(1), but in no case less than 200,000 acres.

3 (e) TIMING OF LEASE SALES.—The Secretary
4 shall—

5 (1) conduct the first lease sale under this title
6 within 22 months after the date of the enactment of
7 this Act;

8 (2) evaluate the bids in such sale and issue
9 leases resulting from such sale, within 90 days after
10 the date of the completion of such sale; and

11 (3) conduct additional sales so long as sufficient
12 interest in development exists to warrant, in the Sec-
13 retary's judgment, the conduct of such sales.

14 **SEC. 405. GRANT OF LEASES BY THE SECRETARY.**

15 (a) IN GENERAL.—The Secretary may grant to the
16 highest responsible qualified bidder in a lease sale con-
17 ducted pursuant to section 404 any lands to be leased on
18 the Coastal Plain upon payment by the lessee of such
19 bonus as may be accepted by the Secretary.

20 (b) SUBSEQUENT TRANSFERS.—No lease issued
21 under this title may be sold, exchanged, assigned, sublet,
22 or otherwise transferred except with the approval of the
23 Secretary. Prior to any such approval the Secretary shall
24 consult with, and give due consideration to the views of,
25 the Attorney General.

1 **SEC. 406. LEASE TERMS AND CONDITIONS.**

2 (a) IN GENERAL.—An oil or gas lease issued pursu-
3 ant to this title shall—

4 (1) provide for the payment of a royalty of not
5 less than 12½ percent in amount or value of the
6 production removed or sold from the lease, as deter-
7 mined by the Secretary under the regulations appli-
8 cable to other Federal oil and gas leases;

9 (2) provide that the Secretary may close, on a
10 seasonal basis, portions of the Coastal Plain to ex-
11 ploratory drilling activities as necessary to protect
12 caribou calving areas and other species of fish and
13 wildlife;

14 (3) require that the lessee of lands within the
15 Coastal Plain shall be fully responsible and liable for
16 the reclamation of lands within the Coastal Plain
17 and any other Federal lands that are adversely af-
18 fected in connection with exploration, development,
19 production, or transportation activities conducted
20 under the lease and within the Coastal Plain by the
21 lessee or by any of the subcontractors or agents of
22 the lessee;

23 (4) provide that the lessee may not delegate or
24 convey, by contract or otherwise, the reclamation re-
25 sponsibility and liability to another person without
26 the express written approval of the Secretary;

1 (5) provide that the standard of reclamation for
2 lands required to be reclaimed under this title shall
3 be, as nearly as practicable, a condition capable of
4 supporting the uses which the lands were capable of
5 supporting prior to any exploration, development, or
6 production activities, or upon application by the les-
7 see, to a higher or better use as approved by the
8 Secretary;

9 (6) contain terms and conditions relating to
10 protection of fish and wildlife, their habitat, subsist-
11 ence resources, and the environment as required
12 pursuant to section 403(a)(2);

13 (7) provide that the lessee, its agents, and its
14 contractors use best efforts to provide a fair share,
15 as determined by the level of obligation previously
16 agreed to in the 1974 agreement implementing sec-
17 tion 29 of the Federal Agreement and Grant of
18 Right of Way for the Operation of the Trans-Alaska
19 Pipeline, of employment and contracting for Alaska
20 Natives and Alaska Native Corporations from
21 throughout the State;

22 (8) prohibit the export of oil produced under
23 the lease; and

24 (9) contain such other provisions as the Sec-
25 retary determines necessary to ensure compliance

1 with the provisions of this title and the regulations
2 issued under this title.

3 (b) PROJECT LABOR AGREEMENTS.—The Secretary,
4 as a term and condition of each lease under this title and
5 in recognizing the Government’s proprietary interest in
6 labor stability and in the ability of construction labor and
7 management to meet the particular needs and conditions
8 of projects to be developed under the leases issued pursu-
9 ant to this title and the special concerns of the parties
10 to such leases, shall require that the lessee and its agents
11 and contractors negotiate to obtain a project labor agree-
12 ment for the employment of laborers and mechanics on
13 production, maintenance, and construction under the
14 lease.

15 **SEC. 407. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

16 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD
17 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—
18 The Secretary shall, consistent with the requirements of
19 section 403, administer the provisions of this title through
20 regulations, lease terms, conditions, restrictions, prohibi-
21 tions, stipulations, and other provisions that—

22 (1) ensure the oil and gas exploration, develop-
23 ment, and production activities on the Coastal Plain
24 will result in no significant adverse effect on fish
25 and wildlife, their habitat, and the environment;

1 (2) require the application of the best commer-
2 cially available technology for oil and gas explo-
3 ration, development, and production on all new ex-
4 ploration, development, and production operations;
5 and

6 (3) ensure that the maximum amount of sur-
7 face acreage covered by production and support fa-
8 cilities, including airstrips and any areas covered by
9 gravel berms or piers for support of pipelines, does
10 not exceed 2,000 acres on the Coastal Plain.

11 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—
12 The Secretary shall also require, with respect to any pro-
13 posed drilling and related activities, that—

14 (1) a site-specific analysis be made of the prob-
15 able effects, if any, that the drilling or related activi-
16 ties will have on fish and wildlife, their habitat, sub-
17 sistence resources, and the environment;

18 (2) a plan be implemented to avoid, minimize,
19 and mitigate (in that order and to the extent prac-
20 ticable) any significant adverse effect identified
21 under paragraph (1); and

22 (3) the development of the plan shall occur
23 after consultation with the agency or agencies hav-
24 ing jurisdiction over matters mitigated by the plan.

1 (c) REGULATIONS TO PROTECT COASTAL PLAIN
2 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,
3 AND THE ENVIRONMENT.—Before implementing the leas-
4 ing program authorized by this title, the Secretary shall
5 prepare and promulgate regulations, lease terms, condi-
6 tions, restrictions, prohibitions, stipulations, and other
7 measures designed to ensure that the activities undertaken
8 on the Coastal Plain under this title are conducted in a
9 manner consistent with the purposes and environmental
10 requirements of this title.

11 (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-
12 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The
13 proposed regulations, lease terms, conditions, restrictions,
14 prohibitions, and stipulations for the leasing program
15 under this title shall require compliance with all applicable
16 provisions of Federal and State environmental law, and
17 shall also require the following:

18 (1) Standards at least as effective as the safety
19 and environmental mitigation measures set forth in
20 items 1 through 29 at pages 167 through 169 of the
21 “Final Legislative Environmental Impact State-
22 ment” (April 1987) on the Coastal Plain.

23 (2) Seasonal limitations on exploration, develop-
24 ment, and related activities, where necessary, to
25 avoid significant adverse effects during periods of

1 concentrated fish and wildlife breeding, denning,
2 nesting, spawning, and migration.

3 (3) That exploration activities, except for sur-
4 face geological studies, be limited to the period be-
5 tween approximately November 1 and May 1 each
6 year and that exploration activities shall be sup-
7 ported, if necessary, by ice roads, winter trails with
8 adequate snow cover, ice pads, ice airstrips, and air
9 transport methods, except that such exploration ac-
10 tivities may occur at other times if the Secretary
11 finds that such exploration will have no significant
12 adverse effect on the fish and wildlife, their habitat,
13 and the environment of the Coastal Plain.

14 (4) Design safety and construction standards
15 for all pipelines and any access and service roads,
16 that—

17 (A) minimize, to the maximum extent pos-
18 sible, adverse effects upon the passage of mi-
19 gratory species such as caribou; and

20 (B) minimize adverse effects upon the flow
21 of surface water by requiring the use of cul-
22 verts, bridges, and other structural devices.

23 (5) Prohibitions on general public access and
24 use on all pipeline access and service roads.

1 (6) Stringent reclamation and rehabilitation re-
2 quirements, consistent with the standards set forth
3 in this title, requiring the removal from the Coastal
4 Plain of all oil and gas development and production
5 facilities, structures, and equipment upon completion
6 of oil and gas production operations, except that the
7 Secretary may exempt from the requirements of this
8 paragraph those facilities, structures, or equipment
9 that the Secretary determines would assist in the
10 management of the Arctic National Wildlife Refuge
11 and that are donated to the United States for that
12 purpose.

13 (7) Appropriate prohibitions or restrictions on
14 access by all modes of transportation.

15 (8) Appropriate prohibitions or restrictions on
16 sand and gravel extraction.

17 (9) Consolidation of facility siting.

18 (10) Appropriate prohibitions or restrictions on
19 use of explosives.

20 (11) Avoidance, to the extent practicable, of
21 springs, streams, and river system; the protection of
22 natural surface drainage patterns, wetlands, and ri-
23 parian habitats; and the regulation of methods or
24 techniques for developing or transporting adequate
25 supplies of water for exploratory drilling.

1 (12) Avoidance or minimization of air traffic-re-
2 lated disturbance to fish and wildlife.

3 (13) Treatment and disposal of hazardous and
4 toxic wastes, solid wastes, reserve pit fluids, drilling
5 muds and cuttings, and domestic wastewater, includ-
6 ing an annual waste management report, a haz-
7 ardous materials tracking system, and a prohibition
8 on chlorinated solvents, in accordance with applica-
9 ble Federal and State environmental law.

10 (14) Fuel storage and oil spill contingency plan-
11 ning.

12 (15) Research, monitoring, and reporting re-
13 quirements.

14 (16) Field crew environmental briefings.

15 (17) Avoidance of significant adverse effects
16 upon subsistence hunting, fishing, and trapping by
17 subsistence users.

18 (18) Compliance with applicable air and water
19 quality standards.

20 (19) Appropriate seasonal and safety zone des-
21 ignations around well sites, within which subsistence
22 hunting and trapping shall be limited.

23 (20) Reasonable stipulations for protection of
24 cultural and archeological resources.

1 (21) All other protective environmental stipula-
2 tions, restrictions, terms, and conditions deemed
3 necessary by the Secretary.

4 (e) CONSIDERATIONS.—In preparing and promul-
5 gating regulations, lease terms, conditions, restrictions,
6 prohibitions, and stipulations under this section, the Sec-
7 retary shall consider the following:

8 (1) The stipulations and conditions that govern
9 the National Petroleum Reserve-Alaska leasing pro-
10 gram, as set forth in the 1999 Northeast National
11 Petroleum Reserve-Alaska Final Integrated Activity
12 Plan/Environmental Impact Statement.

13 (2) The environmental protection standards
14 that governed the initial Coastal Plain seismic explo-
15 ration program under parts 37.31 to 37.33 of title
16 50, Code of Federal Regulations.

17 (3) The land use stipulations for exploratory
18 drilling on the KIC–ASRC private lands that are set
19 forth in Appendix 2 of the August 9, 1983, agree-
20 ment between Arctic Slope Regional Corporation and
21 the United States.

22 (f) FACILITY CONSOLIDATION PLANNING.—

23 (1) IN GENERAL.—The Secretary shall, after
24 providing for public notice and comment, prepare
25 and update periodically a plan to govern, guide, and

1 direct the siting and construction of facilities for the
2 exploration, development, production, and transpor-
3 tation of Coastal Plain oil and gas resources.

4 (2) OBJECTIVES.—The plan shall have the fol-
5 lowing objectives:

6 (A) Avoiding unnecessary duplication of fa-
7 cilities and activities.

8 (B) Encouraging consolidation of common
9 facilities and activities.

10 (C) Locating or confining facilities and ac-
11 tivities to areas that will minimize impact on
12 fish and wildlife, their habitat, and the environ-
13 ment.

14 (D) Utilizing existing facilities wherever
15 practicable.

16 (E) Enhancing compatibility between wild-
17 life values and development activities.

18 (g) ACCESS TO PUBLIC LANDS.—The Secretary
19 shall—

20 (1) manage public lands in the Coastal Plain
21 subject to subsections (a) and (b) of section 811 of
22 the Alaska National Interest Lands Conservation
23 Act (16 U.S.C. 3121); and

1 (2) ensure that local residents shall have rea-
2 sonable access to public lands in the Coastal Plain
3 for traditional uses.

4 **SEC. 408. EXPEDITED JUDICIAL REVIEW.**

5 (a) FILING OF COMPLAINT.—

6 (1) DEADLINE.—Subject to paragraph (2), any
7 complaint seeking judicial review of any provision of
8 this title or any action of the Secretary under this
9 title shall be filed—

10 (A) except as provided in subparagraph
11 (B), within the 90-day period beginning on the
12 date of the action being challenged; or

13 (B) in the case of a complaint based solely
14 on grounds arising after such period, within 90
15 days after the complainant knew or reasonably
16 should have known of the grounds for the com-
17 plaint.

18 (2) VENUE.—Any complaint seeking judicial re-
19 view of any provision of this title or any action of
20 the Secretary under this title may be filed only in
21 the United States Court of Appeals for the District
22 of Columbia.

23 (3) LIMITATION ON SCOPE OF CERTAIN RE-
24 VIEW.—Judicial review of a Secretarial decision to
25 conduct a lease sale under this title, including the

1 environmental analysis thereof, shall be limited to
2 whether the Secretary has complied with the terms
3 of this title and shall be based upon the administra-
4 tive record of that decision. The Secretary's identi-
5 fication of a preferred course of action to enable
6 leasing to proceed and the Secretary's analysis of
7 environmental effects under this title shall be pre-
8 sumed to be correct unless shown otherwise by clear
9 and convincing evidence to the contrary.

10 (b) LIMITATION ON OTHER REVIEW.—Actions of the
11 Secretary with respect to which review could have been
12 obtained under this section shall not be subject to judicial
13 review in any civil or criminal proceeding for enforcement.

14 **SEC. 409. FEDERAL AND STATE DISTRIBUTION OF REVE-**
15 **NUES.**

16 (a) IN GENERAL.—Notwithstanding any other provi-
17 sion of law, of the amount of adjusted bonus, rental, and
18 royalty revenues from Federal oil and gas leasing and op-
19 erations authorized under this title—

20 (1) 50 percent shall be paid to the State of
21 Alaska; and

22 (2) except as provided in section 412(d), the
23 balance shall be transferred to the ANWR Alter-
24 native Energy Trust Fund established by this title.

1 (b) PAYMENTS TO ALASKA.—Payments to the State
2 of Alaska under this section shall be made semiannually.

3 **SEC. 410. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

4 (a) IN GENERAL.—The Secretary shall issue rights-
5 of-way and easements across the Coastal Plain for the
6 transportation of oil and gas—

7 (1) except as provided in paragraph (2), under
8 section 28 of the Mineral Leasing Act (30 U.S.C.
9 185), without regard to title XI of the Alaska Na-
10 tional Interest Lands Conservation Act (30 U.S.C.
11 3161 et seq.); and

12 (2) under title XI of the Alaska National Inter-
13 est Lands Conservation Act (30 U.S.C. 3161 et
14 seq.), for access authorized by sections 1110 and
15 1111 of that Act (16 U.S.C. 3170 and 3171).

16 (b) TERMS AND CONDITIONS.—The Secretary shall
17 include in any right-of-way or easement issued under sub-
18 section (a) such terms and conditions as may be necessary
19 to ensure that transportation of oil and gas does not result
20 in a significant adverse effect on the fish and wildlife, sub-
21 sistence resources, their habitat, and the environment of
22 the Coastal Plain, including requirements that facilities be
23 sited or designed so as to avoid unnecessary duplication
24 of roads and pipelines.

1 (c) REGULATIONS.—The Secretary shall include in
2 regulations under section 403(g) provisions granting
3 rights-of-way and easements described in subsection (a)
4 of this section.

5 **SEC. 411. CONVEYANCE.**

6 In order to maximize Federal revenues by removing
7 clouds on title to lands and clarifying land ownership pat-
8 terns within the Coastal Plain, the Secretary, notwith-
9 standing the provisions of section 1302(h)(2) of the Alas-
10 ka National Interest Lands Conservation Act (16 U.S.C.
11 3192(h)(2)), shall convey—

12 (1) to the Kaktovik Inupiat Corporation the
13 surface estate of the lands described in paragraph 1
14 of Public Land Order 6959, to the extent necessary
15 to fulfill the Corporation's entitlement under sec-
16 tions 12 and 14 of the Alaska Native Claims Settle-
17 ment Act (43 U.S.C. 1611 and 1613) in accordance
18 with the terms and conditions of the Agreement be-
19 tween the Department of the Interior, the United
20 States Fish and Wildlife Service, the Bureau of
21 Land Management, and the Kaktovik Inupiat Cor-
22 poration effective January 22, 1993; and

23 (2) to the Arctic Slope Regional Corporation
24 the remaining subsurface estate to which it is enti-
25 tled pursuant to the August 9, 1983, agreement be-

1 tween the Arctic Slope Regional Corporation and the
2 United States of America.

3 **SEC. 412. LOCAL GOVERNMENT IMPACT AID AND COMMU-**
4 **NITY SERVICE ASSISTANCE.**

5 (a) FINANCIAL ASSISTANCE AUTHORIZED.—

6 (1) IN GENERAL.—The Secretary may use
7 amounts available from the Coastal Plain Local Gov-
8 ernment Impact Aid Assistance Fund established by
9 subsection (d) to provide timely financial assistance
10 to entities that are eligible under paragraph (2) and
11 that are directly impacted by the exploration for or
12 production of oil and gas on the Coastal Plain under
13 this title.

14 (2) ELIGIBLE ENTITIES.—The North Slope
15 Borough, the City of Kaktovik, and any other bor-
16 ough, municipal subdivision, village, or other com-
17 munity in the State of Alaska that is directly im-
18 pacted by exploration for, or the production of, oil
19 or gas on the Coastal Plain under this title, as de-
20 termined by the Secretary, shall be eligible for finan-
21 cial assistance under this section.

22 (b) USE OF ASSISTANCE.—Financial assistance
23 under this section may be used only for—

24 (1) planning for mitigation of the potential ef-
25 fects of oil and gas exploration and development on

1 environmental, social, cultural, recreational, and sub-
2 sistence values;

3 (2) implementing mitigation plans and main-
4 taining mitigation projects;

5 (3) developing, carrying out, and maintaining
6 projects and programs that provide new or expanded
7 public facilities and services to address needs and
8 problems associated with such effects, including fire-
9 fighting, police, water, waste treatment, medivac,
10 and medical services; and

11 (4) establishment of a coordination office, by
12 the North Slope Borough, in the City of Kaktovik,
13 which shall—

14 (A) coordinate with and advise developers
15 on local conditions, impact, and history of the
16 areas utilized for development; and

17 (B) provide to the Committee on Resources
18 of the House of Representatives and the Com-
19 mittee on Energy and Natural Resources of the
20 Senate an annual report on the status of co-
21 ordination between developers and the commu-
22 nities affected by development.

23 (c) APPLICATION.—

24 (1) IN GENERAL.—Any community that is eligi-
25 ble for assistance under this section may submit an

1 application for such assistance to the Secretary, in
2 such form and under such procedures as the Sec-
3 retary may prescribe by regulation.

4 (2) NORTH SLOPE BOROUGH COMMUNITIES.—A
5 community located in the North Slope Borough may
6 apply for assistance under this section either directly
7 to the Secretary or through the North Slope Bor-
8 ough.

9 (3) APPLICATION ASSISTANCE.—The Secretary
10 shall work closely with and assist the North Slope
11 Borough and other communities eligible for assist-
12 ance under this section in developing and submitting
13 applications for assistance under this section.

14 (d) ESTABLISHMENT OF FUND.—

15 (1) IN GENERAL.—There is established in the
16 Treasury the Coastal Plain Local Government Im-
17 pact Aid Assistance Fund.

18 (2) USE.—Amounts in the fund may be used
19 only for providing financial assistance under this
20 section.

21 (3) DEPOSITS.—Subject to paragraph (4), there
22 shall be deposited into the fund amounts received by
23 the United States as revenues derived from rents,
24 bonuses, and royalties from Federal leases and lease
25 sales authorized under this title.

1 (4) LIMITATION ON DEPOSITS.—The total
2 amount in the fund may not exceed \$11,000,000.

3 (5) INVESTMENT OF BALANCES.—The Sec-
4 retary of the Treasury shall invest amounts in the
5 fund in interest bearing government securities.

6 (e) AUTHORIZATION OF APPROPRIATIONS.—To pro-
7 vide financial assistance under this section there is author-
8 ized to be appropriated to the Secretary from the Coastal
9 Plain Local Government Impact Aid Assistance Fund
10 \$5,000,000 for each fiscal year.

11 **SEC. 413. ANWR ALTERNATIVE ENERGY TRUST FUND.**

12 (a) ESTABLISHMENT OF TRUST FUND.—There is es-
13 tablished in the Treasury of the United States a trust fund
14 to be known as the “ANWR Alternative Energy Trust
15 Fund”, consisting of such amounts as may be transferred
16 to the ANWR Alternative Energy Trust Fund as provided
17 in section 409.

18 (b) EXPENDITURES FROM ANWR ALTERNATIVE
19 ENERGY TRUST FUND.—

20 (1) IN GENERAL.—Amounts in the ANWR Al-
21 ternative Energy Trust Fund shall be available with-
22 out further appropriation to carry out specified pro-
23 visions of the Energy Policy Act of 2005 (Public
24 Law 109–58; in this section referred to as
25 “EPAAct2005”) and the Energy Independence and

1 Security Act of 2007 (Public Law 110–140; in this
 2 section referred to as “EISAct2007”), as follows:

To carry out the provisions of:		The following percentage of annual receipts to the ANWR Alternative Energy Trust Fund, but not to exceed the limit on amount authorized, if any:
EPAAct2005:		
Section 210		1.5 percent
Section 242		1.0 percent
Section 369		2.0 percent
Section 401		6.0 percent
Section 812		6.0 percent
Section 931		19.0 percent
Section 942		1.5 percent
Section 962		3.0 percent
Section 968		1.5 percent
Section 1704		6.0 percent
EISAct2007:		
Section 207		15.0 percent
Section 607		1.5 percent
Title VI, Subtitle B		3.0 percent
Title VI, Subtitle C		1.5 percent
Section 641		9.0 percent
Title VII, Subtitle A		15.0 percent
Section 1112		1.5 percent
Section 1304		6.0 percent.

3 (2) APPORTIONMENT OF EXCESS AMOUNT.—

4 Notwithstanding paragraph (1), any amounts allo-
 5 cated under paragraph (1) that are in excess of the
 6 amounts authorized in the applicable cited section or
 7 subtitle of EPAAct2005 and EISAct2007 shall be re-
 8 allocated to the remaining sections and subtitles
 9 cited in paragraph (1), up to the amounts otherwise
 10 authorized by law to carry out such sections and
 11 subtitles, in proportion to the amounts authorized by

- 1 law to be appropriated for such other sections and
- 2 subtitles.

